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## EXECUTIVE SUMMARY

### A. INTRODUCTION

The , the and have entered into a working partnership to develop PROJECT, a part of LOCATION, STATE, and originally *installation history*. What then became a Nike Hawk air defense missile site used by the U.S Army from 1962-1979, now has the potential to become a state-of-the-art development including training, educational, business, housing, and office facilities to serve , , and the residents of the greater LOCATION areas.

The master development site will be separately programmed on two parcels. One parcel, approximately acres, is located north of the PROJECT, and is being considered for private development through a long-term lease agreement. The second parcel, estimated above acres in size, is located south of the and is the proposed site for a new PROJECT with potential buffer or open space on any lands remaining after construction of the PROJECT. DEVELOPER believes that the development of the PROJECT should be evaluated in its entirety and should be approached from a comprehensive and integrated manner in terms of planning, community relations, financing, and operations. By doing so, the Army will generate the greatest potential from the underlying value of the property.

The PROJECT Enhanced-Use Lease (EUL) site is bound by on the south side, vacant land on the east and north sides, Road to the west, with surrounding land use being mixed-residential, DEVELOPER seeks to find cost-effective, alternative, compatible uses for the -acre tract. Also aware of the urbanization of PROJECT surroundings, DEVELOPER seeks to design and implement a master development that will complement the natural environment while meeting the needs of the increasing population of . . . . Similarly, the proposed PROJECT will be specifically designed to comply with the Army mission, and meet the needs of the infantry currently located in, STATE whose housing, training, readiness, and recruiting facilities are increasingly inadequate. Fee simple ownership of the ground will remain in federal title, and construction of the PROJECT and related outdoor training facilities will be paid for by DEVELOPER as it generates income from the future development of the Northern parcel.

DEVELOPER intends to work collaboratively with the Army and the City of to best provide development suitable for County residents and installation personnel. Stakeholders will receive short- and long-term economic benefits from both public and private development components of the project. An overarching goal for DEVELOPER is to leverage such benefits via effective and efficient use of the available developable land that will be subject to the EUL.

The Leasing and Management Plan will set forth DEVELOPER'S method for developing and marketing the site, including the financial strategies and the mutually agreed upon parameters and timeline for the entire real estate development program.

### Purpose

This Leasing and Management Plan summarizes the due diligence efforts and financial analyses that was completed by members of the DEVELOPER team and outlines the critical aspects of the project during development and leasing. DEVELOPER'S vision is (1) to support the Army mission; (2) to create a superior plan that incorporates sound and sustainable design practices; and, (3) to successfully complete a development project that achieves both the financial requirements and design standards of the parties involved. The following items outline the information presented in the Leasing and Management Plan.

Section I – Introduction, Incentives and Purpose provides an introduction to the project as well as defines the public/private working relationship between DEVELOPER, and the US Army. This section also states the project objectives overall, including in-kind consideration and development of training and related facilities.

Section II – Background Goals and Objectives provides information about the EUL site and the foundation for the Leasing and Management Plan, including a description of the proposed in-kind consideration which will result in a modern, state-of-the-art facility. The goals of the Army, DEVELOPER and the City of are highlighted.

Section III - Development Plan presents the design objectives, proposed land uses and phasing for the preferred plan through tables, concept plan graphics, and a descriptive synopsis of project elements by phase. This section includes an executive summary of the market analysis justifying the development of the private components of the project. The full market analysis validates the price assumptions and space requirements for leasing. This section also details the feasibility study and growing demand for local and regional mixed-use. This section also includes development schedules and timelines, strategies, as well as how the development will impact the community incorporating traffic circulation, security and environmental impact analyses.

Section IV – The Community Relations section incorporates both the Community Relations Plan and the related approaches to be undertaken in an effort to secure stakeholder support. It also includes a fiscal impact analysis detailing economic and non-economic benefits to the City of, County and South STATE.

Section V – The Marketing Plan provides the general framework for DEVELOPER’S overall marketing approach, including identification of target audiences and use of communication channels and collateral.

Section VI – Operations Plan both outlines operation and maintenance responsibilities including asset management and property management functions and contractual obligations. The plan also includes a program for establishing reserves and projecting capital reinvestment benchmarks.

Section VII – The Financing Plan details project development costs and resulting developer proformas including strategies for funding various private components of the project. The Financial Plan also details the financial resources necessary to implement a high-quality project at the most reasonable cost, including site-specific consideration for the in-kind projects.

Section VIII – Economic Proposal analyzes both market comparables and residual land values based upon recent and current market conditions and projected project economics. In addition to identifying the PROJECT, the in-kind consideration to the U.S Army is also proposed.

Section IX – Attachments includes the proposed legal documents which will be entered into between DEVELOPER and the U.S Army. This section includes detailed financial exhibits supporting project economics and the economic proposal.

## **B. EUL Project Summary**

## **C. EUL Terms & Conditions**

**BACKGROUND, GOALS AND OBJECTIVES**

DEVELOPER intends to serve as a private sector developer and property manager for the Army. DEVELOPER will provide development, construction, property management and asset management services as needed throughout the various phases of the project.

DEVELOPER'S Leasing and Management Plan is created to address site planning, design, programmatic, environmental, community and fiscal needs of the Army, the City of, the State of..., and the DEVELOPER development team. The following goals and objectives fulfill or exceed all requirements stated and understood by and for the Army, and DEVELOPER, providing the best development options for all entities.

The PROJECT is intended to be a modern, state-of-the-art facility, have the capability to provide support and shelter for the state of STATE in the event of a natural disaster, and heighten regional security for STATE residents in the wake of terrorism.

The PROJECT is proposed to adequately provide educational, parking, storage, and indoor and outdoor training areas in an environment akin to the natural landscape of respective property areas. Mutually established objectives include prioritizing the Army mission, addressing efficient use of land and building space, providing privacy and buffers for training practices, and generating economic activity to fund the proposed training facilities while also offering community and financial benefits the greater ....community.

Originally an \_\_\_\_\_ area, the proposed site for the \_\_\_\_\_ was once utilized by the United States Army as a \_\_\_\_\_ air defense missile site during the \_\_\_\_\_. After deactivation, the proposed site remains unoccupied and fallow since being deeded to the Army.

**Army Goals include:**

1. Underwriting the Army's need for a modern facility in STATE.
2. Encouraging in-kind consideration and/or cash generated by the project to further enhance the quality of training for the Army
3. Integrating the Army mission with cultural resources and environmental policy management requirements
4. Securing uses for PROJECT property that are compatible with the requirements and mission of the Army
5. Creating a landscape buffer for the Army indoor and outdoor training facilities
6. Maintaining positive relations with the communities surrounding the PROJECT property

**DEVELOPER Goals include:**

1. Creating a sustainable development project
2. Designing, building and implementing a market-driven development plan that has a high probability of success
3. Evaluating the feasibility of various land uses, meeting the economic requirements of the Army and private capital markets
4. Developing a finance plan based on market absorption and demand for acceptance in the financial marketplace
5. Expedite the planning, design, development and construction processes to ensure timely delivery of the training facilities and private development for the Army and the STATE community
6. Embrace a financially conservative development program that allows for risk management required to provide early delivery of in-kind consideration

**City Goals include:**

1. Undertaking high-quality and timely development
2. Providing compatibility for existing and proposed land uses
3. Commencing initial and continual community relations allowing for and responding to community feedback
4. Enabling the private sector to deliver publicly utilized facilities to serve the residents of and the greater STATE region.
5. Ensuring the private development provides sufficient educational facilities to meet future demands

To increase positive awareness and bolster community project support of the project, DEVELOPER will establish inquiry processes for potential users and tenants. Appropriate collateral materials will be distributed to respective business and residential community groups throughout outreach programming.

DEVELOPER will incorporate advanced site planning efforts, building design concepts and technology throughout the constructed public and private facilities for maximum and efficient use of land and buildings. As Asset Manager for the United States Government, DEVELOPER will fulfill its fiduciary and proprietary responsibilities to design, construct and manage sufficient educational and training facilities for the Army and the citizens of STATE.

The planning of the project will adequately allow for a market-driven, timely and expedited development process. In addition to enhanced financial feasibility, a series of proposed development options can result in a more efficient financing structure supported by the capital markets.

**DEVELOPMENT PLAN****A. Market Analysis Summary**

The market study was completed in order to assist the development team in completing the proposed land use and site plan for the project. Its purpose is also to determine the feasibility of project components and validate price assumptions and whether the overall environment appears suitable to support office, residential, and senior housing components. This included, but was not necessarily limited to, the evaluation of the subject site and its relationship to potential demand generators, an analysis of the current comparable competitors, and an analysis of relevant economic data pertinent to the respective markets.

Primary research for evaluating comparable properties includes inspecting the existing competitive supply, interviewing property management and local brokers, and analyzing the area's economic climate to develop conclusions concerning the competitive market in which the proposed facilities will be operating.

Sources of information for the analysis include publications and interviews from local government and community agencies and market reports from national and local industry professionals. The historical growth and the characteristics of each of the principal segments of demand were analyzed, and growth in demand was projected from 2005 to 2008 for the competitive market to reach final conclusions on the overall market potential.

The following potential development components are proposed by DEVELOPER to meet the needs of the Army, the City of ...., surrounding community members, and potential tenants; as well as finance the development in a most timely and cost effective way possible.

## **1. Office**

Over the past year, County has experienced an 80% increase in office development in the pipeline. As of the second quarter of 2005, approximately 620,000 square feet of office space has been absorbed in the County, and Grubb & Ellis notes that the market is on track to exceed 2004 absorption of 1,100,000 square feet. While the Central Business District (CBD) has been in a slump, analysts expect the temporary setback will turn positive by 2006. Midway through 2005, a positive suburban market has brought the County office market closer to pre-9/11 levels.

Although vacancy in CBD office space in .... County reached 20% for Class A space in 2004, the market saw an increase in asking rents of \$0.22 per square foot during the first quarter of 2005. As of the second quarter of 2005, CBD rent averaged \$28.68 per square foot per year. Meanwhile, suburban office space in ...County experienced at 4.8% decrease in vacancy, and rents averaged \$23.22 per square foot at the end of the second quarter of 2005.

Office vacancy has significantly declined from 2000 to 2005, decreasing from 30.2% in 2000 to 5.6% at the end of the third quarter of 2005, while total office supply in ... has more than doubled, increasing from 855,443 square feet in 2000 to 1,911,655 square feet at the end of the third quarter of 2005. This is a positive trend that has continued and will continue to do so over the next few years.

Employment growth in County has averaged 2.4% per year from 1995 to 2004. According to the Office of Economic Development.... County's employment population is expected to increase to 931,233 by 2012, indicating on average growth of 0.8% per year from 2004 to 2012. Utilizing 0.8% employment growth per year, County employment will increase by 21,300 employees from 2005 to 2008. In 2004, there were 33,651,717 square feet of office space in the .... County and 917,342 employees. Assuming the same ratio of 38 square feet per employee,.. County will need an additional 820,500 square feet of office space to support new employment from 2005 to 2008.

The conditions of the current office market show signs for slow growth in the future office market. However, with the competitive advantage of its regional location, accessibility, and attributes, ..... County is experiencing improving conditions. A flex-office facility in has the potential to attract federal, state, and local government users, increasing demand for the site.

## **2. Residential**

..... County's resident population has steadily grown, and is expected to continue growing. With the development of the county's western borders, the availability of large tracts of land to support population growth is becoming more limited and expensive. Supported by strong levels of employment, retail sales and effective buying income, 's economic base is deep and diverse. Major contributing factors to.... County's economic stability include tourism and steadily expanding health and financial industries. Major expansion of the county's

highways and the Airport add to an infrastructure dedicated to support the continued growth.

Assuming employment growth continues at moderate levels, apartment demand appears capable of keeping pace with construction activity. According to the University of STATE, Bureau of Economic and Business Research, is expected to add 21,263 residents over the next 5 years, indicating 20.3% growth from 2005 to 2010. Furthermore, County's employment population is expected to increase, thereby maintaining housing demand.

Assuming current density of 3.15 persons per household, the Community Development Department forecasts housing construction to increase by 6,750 units from 2005 to 2010. In 2000, apartments composed approximately 13.4% of total housing in . Assuming the same percentage, approximately 905 apartment units will need to be constructed in from 2005 to 2010 to meet population increases.

As of the end of the first quarter of 2005, rental apartment occupancy in County averaged 98.1%. According to Research, occupancy will increase slightly to 98.2% by the first quarter of 2006. At the end of the first quarter of 2005, apartment rent averaged \$1,046 in the / sub sector, slightly higher than overall County's average of \$1,014. Research forecasts positive apartment absorption in County in 2006. After forecasting negative absorption of 6,000 apartments at the end of 2005, the County apartment market should generate positive net absorption of 1,000 units in 2006. Positive absorption will be supported by the limited supply of new apartment units as compared with the increasing amount of condominium units.

### 3. Senior Housing

For the purpose of this study, the following housing utilization rate of .0% is assumed for the 65 to 74 age group, % is assumed for the 75 to 84 age group, and .0% for the 85+ age group. Therefore, the estimated total number of seniors in 2008 who need senior care facilities will be 1,417; consisting of 451 in the 65 to 74 age group, 589 in the 75 to 84 age group, and 377 in the 85+ age group. This is indicated in the figure below.

	65 to 74 years	75 to 84 years	85 years and over
2000			
2005			
Est. 2008			
<b>Total</b>			
Est. Utilization Rate			
<b>Total Demand</b>			

As the baby boomer population continues to age, a significant increase will occur in demand for senior housing facilities. With an average occupancy of ... % and rates from \$ to \$ of selected properties in County, the need for increased supply of senior facilities that offer a continuum of care is evident.

#### 4. Retail

There is an increasing need to provide sufficient retail product and services in order to accommodate the influx of people into STATE. Development should continue as neighborhood shopping centers and retailers benefit from the population explosion. This trend could continue for the next five to ten years. Inventory has increased by approximately 866,000 square feet from the third quarter of 2004 to the third quarter of 2005, reaching 34,279,438 total square feet. A wide variety of formats for retail products are now being used, as developers recognize the benefits of creativity in their attempts to stay competitive. As land becomes scarce, older centers are being demolished and rebuilt. Other formats include mixed-use centers, multi-level retail, and power strip centers.

Demand will be strong enough to absorb new space, and vacancy rates should continue to decline. In ..... County, overall retail vacancy declined from % during the third quarter of 2005 from % during the third quarter 2004. In the near future, the STATE retail market should continue to see solid net absorption numbers, and leasing activity will remain strong. The average asking lease rate rose from \$ per square foot during the third quarter of 2004 to \$ per square foot during the third quarter of 2005, and net retail absorption increased to 463,816 during the third quarter of 2005. In terms of retail investments, STATE is considered one of the top five markets in the country. Prices per square foot have continued an upward trend, with the average sale price being \$ per square foot as of the third quarter of 2005.

The resilience demonstrated by the retail sector during the economic downturn has also enhanced the marketability of retail products. The stability of the retail sector has created an intense demand for properties. This trend of excessive demand and lack of supply should continue for some time in the near future. Utilizing current population projections, according to the University of STATE, Bureau of Economic and Business Research, is expected to have an additional 15,742 residents from 2006 to 2008. Assuming a ratio of 30 square feet of retail space per capita, demand for retail space by residents in STATE should increase by approximately 472,000 square feet from 2006 to 2008.

#### 5. Hotel

Ernst & Young's "2003 Mid-Year Lodging Report," notes that GDP is expected to increase % in 2004. With the recent boost in U.S. equity markets and tax cuts, disposable personal income and consumer spending will increase. Furthermore, according to the U.S. Department of Labor Bureau of Labor Statistics, the fourth quarter of 2003 showed a decrease in the unemployment rate and an increase in the number of total non-farm employment. The western U.S. showed a % decrease in unemployment over 2003 and is expected to decrease even more in 2004. These improved economic conditions will result in increased spending in both leisure and corporate meeting travel.

Even with an increase of 297 rooms from 2003 to 2004, the Area lodging market remains strong. The area experienced increased occupancy levels, rising from % in 2003 to % in 2004. Average daily rates rose from \$ in 2003 to \$ in 2004.

Hotel occupancy in the Area during the first half of 2005 climbed to %.<sup>1</sup> In the near future, occupancy and average daily rates are expected to remain strong. After experiencing

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<sup>1</sup> County Department of Urban Planning and Redevelopment. "State of the County Economy." 2005.



an .... % increase from 2003 to 2004 as well as from the first half of 2004 to the first half of 2005, 2006 should see stabilizing growth. After increasing % from 2003 to 2004, average daily rates in the Area rose % to \$ during the first half of 2005. 2006 should experience an increase of 3% in average daily rates. Contributing to the increase will be the additional rooms in primarily the upscale segment, the leisure market, and inflation.

## **6. Industrial**

The national industrial market remains strong, as 42.2 million square feet of industrial space was absorbed in the second quarter of 2004 as opposed to 20.6 square feet in the second quarter of 2003. Vacancy continues to hover around %.

In County, service-driven small business owners are thriving as the population continues to grow. Demand for small bay industrial space continues to increase as small business owners look to take more permanent space or expand their businesses. The trend of warehouse-condominium sales continues to appeal to renters desiring to become owners. The slight increase in interest rates doesn't appear to have diminished interest from the smaller businesses looking to purchase and invest in industrial space. This trend will continue into 2006.

In , industrial vacancy rates decreased % during the first three quarters of 2005, while the market added 55,574 square feet of new construction. Meanwhile, average asking lease rates in increased \$ from 2004, rising to \$ per square foot as of the third quarter of 2005.

Companies are expanding and vacancy will continue to diminish specifically in general industrial product. According to the STATE Research & Economic Database, industry employment projections for manufactured goods, such as steel products and stone products, are projected to increase by % and % respectively over the next several years. In addition, , one of 's strongest economic engines, has set a record for cargo, a % increase over 2003, and has been ranked as the fastest growing seaport on the east coast.

## **7. Conclusion**

Based on the market analysis conducted, and allowing for a 10-year development timeline supported by the projected growth rate in South STATE, and further enhanced by the limited amount of developable land in County serviced by public utilities in the City of, a market exists to support development components of residential for rent, senior housing, office, office flex, hotel, and industrial. While each component will support the preliminary conceptual development programs over a 10-year phased timeline, the lower per component absorption required in a mixed use development will enable the development to be built and leased in a shorter time frame thereby reducing the cost of horizontal development.

## **B. Development Program**

The PROJECT is located on acres in two parcels lying adjacent to the C-9. The initial land use plan for the site proposes to develop the northern parcel as one of three mixed-use alternatives with office, commercial, office flex space or residential components in each. The south parcel will also be mixed-use and will contain the Administrative Center, the training facilities, a readiness and mobilization yard and future expansion area that may contain a combination of

additional training facilities, office space, commercial facilities or some combination of these uses. The entire site is surrounded by existing and emerging residential neighborhoods.

The parcel located north of the canal is .... acres in size with identified wetland areas of approximately acres, acres within the easement and has frontage on Road to the west. For the purpose of this Leasing and Management Plan, it is assumed that the site has access available to Road on the east via a 200 foot wide roadway easement that lies adjacent to the canal, as evidenced in County public records. All plan alternatives propose to enhance the existing ten-acre wetlands in a mitigation plan by removing all invasive exotics, introducing native species and controlling water flow to and from the areas.

Five options for the privately developed and financed North site are proposed in this business plan. DEVELOPER, the Army, and the Army Corp of Engineers will collectively evaluate the economic, market, and public policy benefits of each plan alternative in order to finalize the ultimate development program. The table below shows the comparison among the five plans.

Plan	Land Uses	Units/SF
Plan A		
Plan B		
Plan C		
Plan D		
Plan E		

## 1. Plan A

Plan A provides a mixed-use plan with a series of three-level office buildings and parking structures with surface parking on a twenty acre site, all fronting along the canal to provide a buffer between the training facilities across the canal to the south and the proposed residential areas to the north. A divided parkway between Road and Road will serve the office areas and provide access to a series of three entry drives into residential neighborhoods and a Community Center. The Community Center will include tennis, fitness and pool facilities typical of master planned developments. It will be managed by DEVELOPER and be made available at a cost to all corporate and residential tenants of the development as a part of the monthly association fee. The center will also be rented to non-members at fees based upon usage. The community center will be open for public use on a reservation basis. The center will also be made available to members of the Army and other users of the PROJECT on a negotiated-fee basis or as part of the proposed in-kind consideration. The two access points onto the adjoining roadways will provide the maximum flexibility of access to and from the STATE Turnpike system, Interstate to the west of the site and to the local road network.

The two multi-family housing areas are proposed at densities of about fifteen and eighteen dwelling units per acre (du/a) with a total of 617 one-, two- and three-bedroom units in three- and four-level walk up arrangements. A senior housing community in a ten-level mid-rise will provide 200 du/a on seven acres, in one- and two-bedroom units located near the Community Center. All residential neighborhoods are connected to the Community Center and recreational facilities by a central pedestrian/bike pathway that also connects with planned improvements to Road and the proposed PROJECT, a segment of the County Greenways system.

The expected yield of Plan A is 474,000 sf/gla of office with limited retail space, garage parking for 1,392 and surface parking for an additional 456 spaces. The possibility of providing hotel space within the office complex may be considered.

## **2. Plan B**

Plan B provides a denser mixed-use plan with a series of five- and eight-level office buildings with four-level parking structures and surface parking on a sixteen-acre site, all fronting along the canal to provide a buffer between the training facilities across the canal to the south and the proposed residential areas to the north. A divided parkway between Road and Road will serve the office areas and provide access to a series of three entry drives into residential neighborhoods and a Community Center. The two access points onto the adjoining roadways will provide maximum flexibility of access to and from the STATE Turnpike system, Interstate to the west of the site and to the local road network.

The two multi-family housing areas are proposed at densities of about twenty-one and twenty-five dwelling units per acre (du/a) with a total of approximately 960 one, two and three bedroom units in five level arrangements. A senior housing community in a ten level mid-rise will provide 200 du/a in one- and two-bedroom units located near the Community Center. All residential neighborhoods are connected to the Community Center and recreational facilities by a central pedestrian/bike pathway that also connects with planned improvements to Road and the proposed PROJECT Greenway, a segment of the County Greenways system.

The expected yield of Plan B is 540,000 sf/gla of office with limited retail space, garage parking for 1,856 and surface parking for an additional 430 spaces. The possibility of providing hotel space within the office complex may be considered.

### **3. Plan C**

Plan C provides a sixty-three acre office park area with primary access to both Road and Road. The complex is divided by the existing drainage area that will be enhanced with lakes to create an outdoor plaza between the four major office buildings, each of which will be 5 levels in height. The lake areas will provide much of the fill material needed to raise the development sites to required elevations. Two additional smaller office buildings at four levels are to be located to the east and west of the central complex.

The office park is expected to yield approximately 880,000 sf/gla in a series of six office buildings and surface parking for approximately 3,520 spaces.

#### **4. Plan D**

Plan D provides a fifty-eight acre flex space park area with primary access to both Road and Road. The complex is divided by the existing drainage area that will be enhanced with lakes added to create an outdoor green space between the two areas of the flex park. Each building will be a single level structure, with some two level admin areas in the front to ... % of each building levels in height. The lake areas will provide much of the fill material needed to raise the development sites to required elevations. There will be a total of twenty-five office/flex buildings at sizes ranging from 7,000sf to 100,000sf.

The flex-space park is expected to yield approximately 717,800 sf/gla in a series of twenty-five one and two level office/flex type buildings and surface parking for approximately 2,440 spaces.

## 5. Plan E

Plan E provides an all-commercial plan including a thirty-acre office park area with primary access to Road to the west. Also provided is a forty-acre office flex-space park with primary access to Road to the east. The two commercial areas will be divided by a major storm water retention area, providing much of the fill material needed to raise the development sites to required elevations.

The office park is expected to yield approximately 400,000 sf/gla in a series of four-level office buildings and surface parking for approximately 1,600 spaces. A limited service hotel with appropriately sized meeting facilities is proposed. The proximity to the STATE Turnpike inter-change, and the lack of competing hotels in the area provide the potential foundation for such a facility. In addition to transient traffic the hotel will also provide accommodations to support functions hosted at the PROJECT. The office flex space will provide approximately 400,000 sf/gla with 1,300 parking spaces.

**C. Site Plan**

**1. Plan A**

**2. Plan B**



### **3. Plan C**

#### **4. Plan D**

## **5. Plan E**

**D. Phasing Plan**

**1. Plan A**

**2. Plan B**

**3. Plan C**

**4. Plan D****5. Plan E****E. Horizontal/ Vertical Development Schedule****1. Plan A**

<b>Phase</b>	<b>Activity</b>	<b>Begin</b>	<b>End</b>
1	Approvals	Jan-06	Dec-05
1	Horizontal Design	Jan-06	Jun-06
	Horizontal Construction	Jul-06	Dec-06
	Vertical Design	Jan-06	Dec-06
	Vertical Construction	Jan-07	Jun-08
2	Horizontal Design	Jul-08	Dec-08
	Horizontal Construction	Jan-09	Jun-09
	Vertical Design	Jul-08	Jun-09
	Vertical Construction	Jul-09	Dec-10
3	Horizontal Design	Jan-11	Jun-11
	Horizontal Construction	Jul-11	Dec-11
	Vertical Design	Jan-11	Dec-11
	Vertical Construction	Jan-12	Jun-13

**2. Plan B**

<b>Phase</b>	<b>Activity</b>	<b>Begin</b>	<b>End</b>
1	Approvals	Jan-06	Dec-05
1	Horizontal Design	Jan-06	Jun-06
	Horizontal Construction	Jul-06	Dec-06
	Vertical Design	Jan-06	Dec-06
	Vertical Construction	Jan-07	Dec-08
2	Horizontal Design	Jan-10	Jun-10
	Horizontal Construction	Jul-10	Dec-10
	Vertical Design	Jan-10	Dec-10
	Vertical Construction	Jan-11	Dec-12
3	Horizontal Design	Jan-14	Jun-14
	Horizontal Construction	Jul-14	Dec-14
	Vertical Design	Jan-14	Dec-14
	Vertical Construction	Jan-15	Dec-16

**3. Plan C**

The schedule below assumes that the building tenant is not government pre-leased.

<b>Phase</b>	<b>Activity</b>	<b>Begin</b>	<b>End</b>
1	Approvals	Jan-06	Jun-06
1	Horizontal Design	Jul-06	Dec-06
	Horizontal Construction	Jan-07	Jun-07
	Vertical Design	Oct-06	Jun-07
	Vertical Construction	Jul-07	Dec-08
2	Horizontal Design	Jan-11	Jun-11
	Horizontal Construction	Jul-11	Dec-11
	Vertical Design	Apr-11	Dec-11
	Vertical Construction	Jan-12	Jun-13

**4. Plan D**

<b>Phase</b>	<b>Activity</b>	<b>Begin</b>	<b>End</b>
1	Approvals	Jan-06	Jun-06
1	Horizontal Design	Jul-06	Dec-06
	Horizontal Construction	Jan-07	Jun-07
	Vertical Design	Jan-07	Jun-07
	Vertical Construction	Jul-07	Jun-08
2	Horizontal Design	Jul-06	Dec-06
	Horizontal Construction	Jan-07	Jun-07
	Vertical Design	Jul-08	Dec-08
	Vertical Construction	Jan-09	Dec-09
3	Horizontal Design	Jan-10	Jun-10
	Horizontal Construction	Jul-10	Dec-10
	Vertical Design	Jul-10	Dec-10
	Vertical Construction	Jan-11	Dec-11
4	Horizontal Design	Jan-10	Jun-10
	Horizontal Construction	Jul-10	Dec-10
	Vertical Design	Jul-12	Dec-12
	Vertical Construction	Jan-13	Dec-13

**5. Plan E**

<b>Phase</b>	<b>Activity</b>	<b>Begin</b>	<b>End</b>
1	Approvals	Jan-06	Jun-06
1	Horizontal Design	Jul-06	Dec-06
	Horizontal Construction	Jan-07	Dec-07
	Vertical Design	Jul-06	Dec-07
	Vertical Construction	Jan-08	Dec-10
2	Horizontal Design	Jan-11	Jun-11
	Horizontal Construction	Jul-11	Jun-12
	Vertical Design	Oct-11	Jun-12
	Vertical Construction	Jul-12	Dec-13

**F. Road Access**

Easement access to Road is assumed for the purposes of predevelopment programming. In order to develop the easement as a roadway from Road to Road, the utilization of the easement will ultimately require county agency review. It is assumed that the county will not fund the construction costs of horizontal improvements. It is possible that DEVELOPER will credit such costs against county road or transportation impact fees.

**G. Traffic Plan****1. Site Access**

The PROJECT Weekend Training Site is located in the City of in southwest ... County on the County line. Containing approximately 329 total acres in two parcels adjacent to the C-9, one parcel is a acre +/- tract lying north of the canal, and the other parcel is a acre +/- tract lying south of the canal.

The north parcel, also known as Tract 100, has lineal feet of frontage on Road to the west with no frontage on any other existing public roadways. Road has been an 80-foot wide right-of-way currently being widened to 110 feet along the entire western frontage of both the north and south parcels. The expanded Road will be a four-lane divided roadway with a 14-foot wide median. The additional 30 feet of right-of-way needed for the expansion was provided from the two parcels of the site. On the north parcel, a 200-foot wide right-of-way easement in favor of County exists adjacent to the easement that runs along the entire south side of Tract 100 and extends from Road to meet Road to the east. This effectively provides access for the north parcel to Road at a point approximately 1,100 feet south of an existing entrance to the STATE Turnpike System, and about two miles from the City Hall complex to the north. Access is also available to Interstate via Road to the south to..., NW \_\_\_<sup>rd</sup> Street and then west to I- , a distance of approximately 4 miles. Road, incorporating a 240-foot wide right-of-way, is a four-lane divided roadway with a 14-foot wide median at the point of access to the site. The entire site is surrounded by existing and emerging residential neighborhoods.

The parcel located north of the canal is ... acres in size with approximately... acres of identified wetlands, and approximately ... acres lying within the easement. The existing -acre will require a mitigation plan to remove all invasive exotics, introduce native species, and control water flow to

and from the areas in order to gain approval to cross those wetlands with an entry drive from Road to the main area of the north parcel. The County Greenways Trail system proposes a trail link along the entire length of the ... within the canal easement.

The south parcel has approximately 2,490 lineal feet of frontage on Road to the west and 2,810 lineal feet of frontage on Road to the south, with no other access to existing public roadways. The PROJECT is to be developed on a -acre site in the southwest portion of the site with an additional +acre support and outdoor training area located north along Road. This roadway is currently being widened to 110 feet and raised along the entire western frontage of both the north and south parcels. Road is a narrow, two-lane roadway that is susceptible to periodic flooding. The primary access to the south parcel will be directly in line with the existing entrance into the ... residential development immediately across Road to the west located approximately 1,100 feet north of the intersection with Road. A secondary point of access will be developed approximately 800 feet south of the primary entrance on Road, and an existing service entrance to the training grounds area will be retained at the southeastern corner of the property onto Road.

## **2. Site Circulation**

Site circulation for the north parcel includes a connecting roadway from Road on the east through the site to Road on the west in all development scenarios except for that scenario that provides only flex/warehouse space on site. The dual access to both and Roads is needed to accommodate the traffic volumes anticipated with all other development scenarios. The flex/warehouse scenario will provide eastern access to Road, and direct access to the STATE Turnpike System.

Site circulation for the south parcel is limited only by the location of the primary access point on Road directly in line with the existing entrance to the \_\_\_\_\_ community to the west. FEMA base flood elevation and the South STATE Water Management District's ten year, one day flood elevation is 6.5 feet. The expanded Road crown is designed at an average elevation of 7.4 feet adjacent to the site, but interior circulation roadways are recommended to be set at an elevation of 7.0 feet with all finished floor elevations being required to exceed those roadway crown elevations by 1.5 feet.

## **3. Public Access**

Facilities within the lease site, such as the community center and the Trail will be open for public use. The north parcel will contain significant open space, including the outdoor guard training facilities. Certain areas within the south parcel including the -acre PROJECT, the -acre expansion site, and the 100-acre outdoor training grounds will be accessible to the public for community meetings, nonprofit events, educational programs, youth training activities, recreation, and private functions.

## **G. Security Plan**

A master association will be established for the ongoing provision of maintenance of common grounds, maintenance of private infrastructure, and maintenance of common amenities which will be available to various tenants and users of the development. The master association will also be responsible for engaging the necessary security for the private development components located



on the North parcel. DEVELOPER will enter into discussions with the Army on the option to provide security services for the PROJECT and related facilities and property.

## H. Environmental Development Analysis

Limited environmental documentation is currently available for the PROJECT EUL Site. In preparation for the construction of the PROJECT, Army completed several environmental tasks and provided the following documentation to the PROJECT EUL Team:

Environmental Assessment, PROJECT Weekend Training Site, , Inc., May 2005.  
Environmental Baseline Survey, PROJECT Local Training Area, , Inc., January 2004.  
Threatened and Endangered Species Survey, PROJECT Training Site, Associates, Inc () &, Inc. (), Summer, and Fall 2001.  
Wetland Planning Level Survey, PROJECT Weekend Training Site, , Inc March, 2004.

The Wetland Planning Survey and Threatened and Endangered Species Survey cover both the Northern and Southern parcels. Conducted in January 2004, the Environmental Baseline Survey (EBS) covers both the Northern and Southern parcels though some of the findings discussed in this report do not include current reported conditions at the site. The EBS will require an update as six months has elapsed since its completion. The Environmental Assessment is the most recent environmental documentation for the site, dated May 2005; however, this document only evaluates impacts of constructing the PROJECT and does not consider development options for the Northern parcel. A preliminary determination for the construction of the PROJECT was A Finding of No Significant Impacts. No reported knowledge or documentation of contamination exists regarding the site; however, several environmental concerns have been raised as summarized below, and to date, have not been thoroughly addressed. The bolded items are the environmental concerns that require additional investigation.

- Explosives and Ordnance – From the period of 1962 to 1979, the U.S. Army utilized the site as a \_\_\_\_\_. Three independent launch locations existed with missile storage buildings. No missiles were reportedly fired from this site. In 1979, the missiles were removed from the site as part of the decommissioning of the air defense program. Since that time there is no reported use of ordnance by the Army at the PROJECT site, and no known sources of ordnance exist at the site.
- Clean Air Act – No air quality concerns currently exist onsite. The entire state of STATE is classified by U.S.EPA as an attainment area for all criteria pollutants. Planned development and utilization does not include significant impacts to Air Quality.
- Radon – No site specific radon samples have been collected for the PROJECT property. U.S. EPA classifies the area as Radon Zone 3, which indicates the expected average indoor concentration would be <2 pCi/L. The risk-based level is 4 pCi/L.
- Radioisotopes – There is no known source or use of radioisotope materials at the PROJECT WETS.
- **Clean Water Act** – A wastewater treatment facility and lift station were used on the Southern parcel to support the use of the site as a \_\_\_\_\_. This packaged plant has not been in operation for many years. The operation of this plant would be considered a point discharge and

governed by a NPDES permit. This facility was not properly decommissioned, demolished and/or sealed. Sludge and wastewater exist within some of the structures. Other than storm water runoff, no other historic or current discharges occur from the site to.

- **Solid Waste/Hazardous Waste** – The site is neither used regularly nor does it currently have buildings that could be used for the storage, handling, or generation of solid or hazardous wastes. Training exercises are intermittently conducted on-site and petroleum-based products are utilized; however, all spent products and wastes are collected and transported back to each respective unit's home base. Several large areas of solid waste (trash and debris) piles and inoperative equipment are down on the site. Most of the trash piles are a result of unauthorized dumping.
- **PCBs** – Poly-chlorinated biphenyls were generally used for high voltage electrical equipment at the time of the U.S. Army presence on site in 1962 to 1979. Several utility poles exist, but have been stripped of any transformers or other electrical distribution devices. No other source of PCB bearing equipment or contamination is known to exist on site.
- **Pesticides** – The historical use of pesticides and herbicides on site for grounds maintenance is likely; however, no reported storage or use of pesticides or herbicides has occurred since 1979.
- **Medical/Biological Waste** – No known sources or issues regarding medical and/or biological waste currently exist.
- **Underground Petroleum Storage Tanks (USTs)** – No known historical or existing USTs associated with the PROJECT property are known to currently exist.
- **Above Ground Storage Tanks (ASTs)** – Above ground storage tanks were likely used for the emergency generators associated with the \_\_\_\_\_. Five ASTs are believed to have existed. No reported spills or leaks have occurred from the ASTs. No releases of petroleum fuels are known to exist at present.
- **Asbestos-Containing Material (ACM)** – Historical asbestos-containing building materials were used on site. Reportedly, all buildings have been demolished and asbestos-containing building materials were properly abated and disposed of. No other known or suspect asbestos issues exist for the site.
- **Lead-Based Paint (LBP)** – Historical lead-based paint is suspected to have been used at the site. Reportedly, all buildings have been demolished and construction debris tested for the presence of hazardous levels of lead. No other known or suspect lead based paint issues exist for the site.
- **Chlorinated Solvents** – Pervasive use of chlorinated solvents as degreasing and cleaner agents was noted during the time that the U.S. Army occupied the site. Use of these agents and subsequent subsurface contamination from former \_\_\_\_\_ is widely documented. No known investigation into the presence of chlorinated contaminated has been performed. This is a known concern, particularly in and around the launch pads and within the leach field boundaries that were part of the former on-site wastewater treatment facility.

The National Environmental Policy Act (NEPA) of 1969, and Title 32 CFR Part 651, requires that any federal government action be evaluated for Environmental, cultural, physical, and socioeconomic impacts. The process involves the consideration of alternative approaches including the "nil" alternative to minimize significant impacts that may occur. The PROJECT property is, and will be, retained as federal government land. An Environmental Assessment has been performed for the Southern parcel for the construction of the PROJECT. The Northern parcel is being considered for private development through a long-term lease arrangement. However, because the fee simple

ownership of the ground will remain in federal title, and because the construction of the PROJECT will be paid for by future revenue from the development of the Northern parcel, the NEPA process extends and applies to the development of the Northern parcel.

While the NEPA process addresses future impacts from a large project, the “all appropriate inquiry” investigation of a property detailed in 40 CFR Part 312 addresses the past and present uses of a property, and whether these uses have resulted in environmental impairment. In order to be granted protection from liability for clean-up of a property under CERCLA, a prospective purchaser must perform an investigation in accordance with these standards of “all appropriate inquiry”. The American Society of Testing and Materials (ASTM) have developed the ASTM 1597-05 standard that generally complies with 40 CFR 312 requirements. The PROJECT property will not change ownership; however, the development of the Northern parcel and the construction of the PROJECT on the Southern parcel will be privately funded by a lender. The ability to pay back any lender for the advance of funds is dependent on the current environmental condition of the property. An Environmental Baseline Survey (also known as a Phase I ESA) was completed in accordance with these requirements in January 2004. The shelf life of a Phase I ESA is six months; therefore, this document is no longer valid for protection under CERCLA, and since that time property conditions have changed. The January 2004 ESA found several recognized environmental conditions (REC): 1) Asbestos and Lead-based paint in dilapidated buildings; 2) Sewage treatment facility and leach fields; and 3) Potential volatile organic compound (VOC) solvent contamination from \_\_\_\_\_ operations. The buildings have been demolished. In order to move forward, a lender will require that an updated Phase I ESA be completed. A Phase II ESA (subsurface investigation) will need to be completed for the RECs listed above prior to completing the updated Phase I ESA.

**Action Items include:**

1. Subsurface (groundwater and sediment) sampling in areas that may have been impacted by chlorinated solvent use, including the wastewater treatment leach fields and missile launch pads;
2. Update the Environmental Baseline Survey (i.e. Phase I Environmental Site Assessment) to reflect current conditions and knowledge of the site in accordance with new regulations (40 CFR 312) and standards (ASTM 1527-05);
3. Complete an Environmental Assessment for development alternatives in Northern EUL Parcel.

Subsequent to the satisfactory completion and execution of the required documents discussed above, the PROJECT EUL project has very few constraints that will limit the redevelopment effort. Some of the potential issues are discussed below.

**a. Vegetation and Forest Conservation**

The majority of the PROJECT property is abandoned upland pastures. The surrounding setting is highly developed suburban area with no known protected forests or parks on or adjacent to the property. The PROJECT property has become overgrown with a dense coverage of exotic tree species, primarily consisting of \_\_\_\_\_. Dominant species of shrub include \_\_\_\_\_. There is no known rare or protected vegetative species found on the PROJECT property. No federally listed plants have been identified; however two state listed species were observed, the coontie and royal fern. Existence of both of these plant species is not considered significant, provided they are not sold. There are no perceived impacts to the vegetation or the forest.

**b. Wildlife**

There have been two independent studies of Threatened and Endangered Species conducted for the site within the last five years. Collectively, no federally listed species were observed and only three state listed birds have been associated with the site. The previously disturbed site provides low quality transient habitats, and therefore, impacts to wildlife would be minimal. Development and wetland mitigation may improve the site's wildlife habitat conditions. There are no perceived impacts on wildlife conditions.

#### **c. Wetlands**

Two geographically distinct wetland areas exist on the PROJECT property. Both are located on the Northern parcel and are characterized as low quality. A large body of surface water classified as moderate quality, exists on the Southern parcel and supports small fish bisects the property. Several agricultural and drainage ditches are evident on the property. None of the wetlands are suspected to support any significant wildlife or provide any vital ecological functions. The proposed location of the PROJECT would not have any impact on surface water or wetland areas identified on the property. Any proposed development on the Northern parcel would impact both wetland areas. Impacts would be greatest if access is planned via Road. Perceived impacts are anticipated to be low. Mitigation would need to be negotiated for the development of the Northern parcel, but is not perceived to limit development options.

#### **d. Floodplain Analysis**

The entire PROJECT property is located within the 100-year floodplain (Zone AD). Therefore all proposed improvements to the property, including the PROJECT will require floodplain compensation for impervious areas created on a 1:1 basis. The South STATE Water Management District () has review and approval responsibilities for the Standard General ERP permit application pursuant to Chapter 40C-40 of the STATE Annotated Code for the site. Perceived impacts to the floodplain are likely to be moderate. Mitigation under the site's overall Storm Water Management Plan will be required for any developed areas.

#### **e. Water Systems**

There are no active drinking water wells on the property. The nearest potable water well is located approximately 5 miles away. Potable water is provided to the area by the City of ....via pipelines. Connections for development on the PROJECT property are located along Road. The perceived impacts on the water systems are expected to be low. Connections for development of the Northern parcel to public supplied drinking water may traverse the low-quality wetland areas located on the west end of the Northern parcel.

#### **f. Sanitary Sewer Systems**

There are no active wastewater services on the property. Sanitary waste services are provided to the area by the City of via pipelines. Connections for development on the PROJECT property are located along Road. Perceived impacts to the sanitary sewer system are estimated to be low. Connections for development of the Northern parcel to public sewer may traverse the low-quality wetland areas located on the west end of the Northern parcel.

#### **g. Storm Water**

There are no known BMPs or storm water management systems on the property. A drainage ditch runs north-south on the Southern parcel, but no longer discharges into the... , and this portion of the property will not be impacted by the planned improvements. Any development of the Northern and Southern parcels will require the approval of a Storm Water Management Plan by the \_\_WMD to ensure recharge and water quality is preserved. It is expected that there will be moderate impacts to storm water conditions. A Storm water management design will be required.

#### **h. Energy**

There are no known existing electrical services on the property. STATE Power & Light maintains a right-of-way and electrical substation adjacent to and northwest of the property. Electrical connections are available along Road. Energy impacts are anticipated to be low.. Electrical connections for development of the Northern parcel may traverse the low-quality wetland areas located on the west end of the Northern parcel.

#### **i. Cultural Resources**

Archaeological Research, Inc. (\_\_ARCH) conducted a historical and archaeological survey of the property in 2001. The buildings associated with the \_\_\_\_\_ site were evaluated for historical significance and value. While being noteworthy from a Cold War perspective, the dilapidation and state of decay was such that there was no restorative or preservative quality. No significant archaeological findings were identified in numerous test pits throughout the site. No perceived impact to cultural resources is expected.

## **COMMUNITY RELATIONS**

### **A. Community Relations Plan**

DEVELOPER fully comprehends the significance and complexities of a community relations and outreach program associated with the development of a PROJECT in an area significantly dominated by residential development. DEVELOPER also understands the need to educate project stakeholders about the necessity for sustainable revenue in order to implement the public policy objective of creating the PROJECT.

DEVELOPER recognizes the existence of potential opposition to new development projects in County. DEVELOPER recognizes the importance of embracing diverse perspectives and opinions, within the City of and County, while undertaking the necessary efforts to ensure that all community stakeholders are heard and responded to.- - The benefits of providing South STATE residents with a hurricane preparedness center and new training facilities for the Army will be emphasized throughout the entire community outreach process.

Public and private stakeholders may include but are not limited to the following:

- State of, County Board of County Commissioners, County

- School Board, City of \_\_\_\_\_, Enterprise STATE and quasi-public organizations
- STATE Water Management District and other regulatory agencies
- City of Chamber of Commerce, private corporations, and non-profit entities
- Boys & Girls Club of STATE, community organizations and individual citizens
- Other groups with financial or social interest in the given development program

To ensure a project's success, DEVELOPER strives to meet the needs of all stakeholders during the research, design, and implementation phases of the development process. The overarching goal is to involve all stakeholders and their respective interests, and formulate an integrated plan that will provide a mutually acceptable solution for all involved entities.

The leadership at DEVELOPER has established a national reputation for enlisting the input and support of those who live and work in the areas where it does business. DEVELOPER intends to implement long and productive partnerships with and between public agencies and citizens. The establishment and cultivation of dynamic working relationships with the U.S. Army and community and business groups of greater \_\_\_\_\_ will be an integral part of successful project development.

### **The DEVELOPER Approach**

To establish constructive dialogue, DEVELOPER will define terms of discussion with stakeholders in public information materials to be distributed to all negotiating parties. The DEVELOPER will maintain proactive contact with key public and private opinion leaders and the media throughout STATE. Contacts will be designed for accurate project communication, dispelling misinformation, and identifying a base of community supporters who can be mobilized at key project milestones.

The success of a public/private development depends upon the cooperation of both the developer and public partners to become the nexus of an extended partnership with a broad cross-section of community leadership from the public and private sectors. These working relationships will include leaders of government, quasi-government, community and economic development groups. Diverse leadership will ensure widespread community support for the proposed development, its future use, and the economic growth that will occur from the development effort. This approach to public/private partnerships has an extraordinary opportunity to create a model for community collaboration. Using this model allows local community groups to build consensus and facilitate the development process by fulfilling public sector objectives and serving and strengthening surrounding communities. Within the project, the potential exists to align the community values, goals and objectives with those of the public/private partnership.

### **Overcoming Challenges**

Gaining the necessary involvement and commitment of the wider development community is a challenge. Developing strategies for early involvement and forming consensus is important in ensuring community support for the project. It takes time, patience and a planned effort to secure stakeholders' confidence and participation. DEVELOPER will use surveys, other data gathering techniques, and the latest technology to identify and address community concerns.

### **Community Relations Program Experience:**

Successful community outreach for this project will be a function of four key factors:

1. Local representation
2. Engaging in early dialogue with community groups
3. A proactive approach
4. Patience

DEVELOPER will engage experienced, trustworthy companies that understand and anticipate community concerns and bring critical historical perspective to the development process. DEVELOPER intends to provide development that the community needs, wants, and will support. Engaging in early dialogue with all involved parties will ensure that the community is given the opportunity to provide input and take ownership of the project that will ultimately serve their needs. Patience is essential as the development process is progressive. Disagreements are inevitable, but can be adeptly handled, if all parties feel they are being treated with respect.

The following community relations and outreach program implemented for the PROJECT demonstrates the DEVELOPER'S positive impact and effective public/private/community collaboration. This collaborative effort resulted in the enhancement of significant economic value for the public agency and the surrounding neighborhoods, as well as improved relationships between all affected stakeholders of the development program.

## **B. Fiscal Impact Analysis**

The construction of the proposed development will result in the creation of new jobs and personal income during both its construction period and annually thereafter from operations and consumer spending.

A Fiscal Impact Analysis was conducted for two of the proposed development programs (Plan B and Plan D) in order to indicate a range of potential economic impact for the proposed project. The economic benefits are summarized as follows.

### **Plan B – Higher Density Mixed-Use**

Construction phase:

- New full-time equivalent jobs, direct and indirect, will be generated by soft and hard costs outlays over the design and construction period including 638 on-site construction jobs.

Operating phase from 2007 to 2021:

- Development will generate a cumulative employee population increase of approximately 1,800 permanent full-time jobs;
- Total taxable sales generated by new residents and employees will total approximately \$ million from 2007 to 2021;
- Overall, development is expected to generate a total fiscal impact of \$ million in revenues for the City of from 2007 to 2021.

### **Plan D – Office/Flex Park**

**Construction phase:**

- New full-time equivalent jobs, direct and indirect, will be generated by soft and hard costs outlays over the design and construction period including 256 on-site construction jobs.

**Operating phase from 2007 to 2021:**

- Development will generate a cumulative employee population increase of approximately permanent full-time jobs;
- Total taxable sales generated by new employees will total approximately \$ million from 2007 to 2021;
- Overall, development is expected to generate a total fiscal impact of \$ million in revenues for the City of from 2007 to 2021.

**MARKETING PLAN****A. Overall Approach**

Through its marketing and public relations program, DEVELOPER will deliver the public policy goals of the PROJECT and the associated private development objectives to target audiences including the United States, Department of the Army, government decision-makers, active real estate brokers, business owners, future residents, and local and national media. Specific marketing strategies will be customized to the ultimate development program which is mutually approved by DEVELOPER, and the U.S. Army. The overall marketing strategy will:

- Create awareness of the development plan among target audiences;
- Obtain ongoing support of the development plan from the United States Department of the Army, and critical decision-makers;
- Generate interest among military officials, potential clients, future employees and residents.

The marketing strategy contains the following components:

- Identification of target audiences
- Market Research and Message Development
- Branding
- Integrated Communications
- Marketing Process: Goals, Positioning and Stages
- Reporting and Evaluation
- Crisis management



**B. Target Audiences**

DEVELOPER will implement continuous comprehensive market research to identify target audiences. An in-depth understanding of each target audience's expectations and needs will help form key messages designed to solicit positive response to the Development Plan.

**1. Primary Audience**

The primary objective of the PROJECT development is to underwrite and provide life-cycle support for a modernized readiness center that enhances the Army mission. Gaining government support at the national, state and local levels has provided the necessary consensus for successful implementation. Key leaders include the U.S Corps of Engineers, the United States Department of the Army, members of Congress, State officials and influential members of the County community.

Questions regarding the impact of the new training facility, potential security changes, property values surrounding the project and perceived traffic conditions will be addressed through local government, military leaders, community groups, and neighborhood associations.

**2. Secondary Audience**

The secondary audience includes members of local, regional and national brokerage firms who can successfully assist DEVELOPER in identifying and attracting commercial private and public sector tenants.

The primary retail sector will focus on businesses with products or services that coincide with the U.S. Army's mission as well as private air carriers, anti-terrorism units, firearm manufacturers, and security analysis companies. Office and flex-space will provide the capacity to host office space alongside and/or in conjunction with areas designated for research and development. Prospective flex-space industries currently include military complements such as anti-terrorist and security agencies, firearm distributors, and research companies as well as traditional tenants requiring flex space for expansion within County. In addition, potential tenants include companies seeking new presence in the fast growing Southern STATE market.

DEVELOPER has identified a "flight to quality" market trend from County and County that it believes will benefit the project in both the commercial and residential sectors, especially once infrastructure improvement is underway.

Ideal candidates for the residential market will include but not be limited to Army, skilled employees, retired military, and retired senior citizens.

**3. Tertiary Audience**

The media constitutes DEVELOPER'S third target audience; communication strategy implemented through the media will serve to familiarize target audiences and the general public with the proposed mixed-use developments. Use of printed media, radio, television and Internet will generate public awareness throughout the project's construction process.

Following project completion, targeted media focus will continue through the lease period for both the private and public sectors, differentiating as required and appropriate the private development components and the private usage of the public sector facilities.

Initially targeted media will include regional publications such as *Business Journal*, and County publications \_\_\_\_\_. Advisories, press releases, updates, newsletters and other collateral materials will keep the media apprised of project progress. A website for both the PROJECT and the private sector development will provide in-depth information as well as create links with vertical development component websites.

### **C. Market Research/ Message Development**

DEVELOPER'S detailed marketing research will take the information and knowledge regarding attitudes and perceptions of the PROJECT property and its development, determine what resonates best with target audiences, and incorporate these factors into the project's message.

Accurate message development will ensure that information disseminated is consistent, accurate, and comprehensible to all audiences. DEVELOPER'S message will be clear and concise whether approaching military decision-makers and members of Congress, meeting with the media, presenting the plan to brokerage firms, or attracting either future residents and/or target businesses.

Media training will be provided to familiarize project spokespeople with key messages, enabling them to put these messages in their own words and empowering them with the knowledge to address difficult questions.

#### **1. Branding**

The master planned development project will be comprised of several different potential components – a cutting edge, large office and flex-space, residential living, senior living, and retail stores – and thus requires a “new” identity which can be easily recognized through the “branding” process.

The primary function of the PROJECT site is to serve as the Army's facility. The additional private development components, developed, financed, owned and managed by DEVELOPER, will serve several audiences, singularly and inclusively. While physically separate, both the public and private sector facilities will provide for potential synergies and interdependencies, resulting in a functional connection between both land parcels which will support the overall project. The branding and identity of this new community should reflect the comprehensive development program. .

Historically, long-time residents of ....and County area have been aware of the previously existing training facility, unoccupied since 1979. At present, many residents are unsure or unaware of the nature and scope of the planned PROJECT, or its purpose and operations.

## **2. Image and Logo Design**

The marketing strategy includes the creation of the overall image, name and logo that will represent the new synergy of the U.S Government and U.S. Army; capturing the purpose of the state of the art training center and incorporating the new mixed-use Enhanced Lease Use development. As site logistics are confirmed, the creation of this new image will be defined.

## **3. Integrated Communications**

The integrated communications strategy will include public relations (earned media), trade outreach and events, advocacy, mass media (print, electronic and broadcast advertisements), and the development of collateral materials. The role of this strategic media campaign is to educate and inform target audiences about the development and its overall benefits. The audiences will be educated through the use of key messages by a variety of earned and paid media, as well as through community outreach. A coordinated communications plan will create a project image which supports the proposed concept of an intergovernmental development with Federal, state, county, and municipal synergies.

## **4. Earned Media**

It is intended that the marketing strategy include interviews with appropriate business-oriented and news media reporters, editors and columnists who cover real estate and financial issues for major local publications. Columns, diagrams, letters to the editor, and general feature stories will highlight the importance of County development and the benefits of this specific project.

DEVELOPER will also develop and prepare customized content aimed at target audiences for the following marketing and media materials:

- Signage
- Brochure
- Local Newspaper
- Direct Mail Campaign
- Internet/Email based Marketing

## **5. Trade Publications/ Events**

National business trade publications such as *The Wall Street Journal* and *Business Weekly* will be targeted for interviews. Placement of the partnership's story into national media will be designed to reach potential business partners and increase business marketing opportunities as well as general public awareness of the project. The focus of such activities will be the outreach toward specialty press that highlight current military issues, mixed-use developments, and commercial and residential real estate. It is also an ideal subject for television networks focusing on business, real estate and related trends.

Marketing events will target local and regionally active brokers. Special events will be followed up with groups of brokers' representatives from major STATE firms. Follow-up

will be conducted regularly throughout the development process. DEVELOPER will simultaneously collect customer data for market research purposes.

## **6. Advocacy**

A speaker's tour will be developed in which DEVELOPER representatives will address local brokerage firms, community groups, governmental entities, and chambers of commerce to introduce the project, solicit support and encourage active stakeholder investment.

## **7. Collateral Materials**

The following comprehensive marketing tools will be created to promote identity and development, raise awareness, and enhance a new image of the project:

- Media/Trade Marketing Kit Brochures
- Interactive Website
- Quarterly Newsletter
- Documentary and/or Marketing Video

DEVELOPER will draft press releases, press kits, company magazines or newsletters, brochures, online press releases and press release web pages, collaborating with NGB for content and distribution purposes. Updated materials will be distributed to target audiences as an integral component of the public relations campaign. The Marketing Team will work with the government, media and the community to outline the project's background and objective, in addition to placing desired images and messages in front of decision-makers and influential figures.

## **8. Marketing Process**

The marketing process will be measurable through the following asset positioning and marketing goals not limited to:

### **a) Asset Positioning:**

- Leverage a responsive "ownership" to meet diverse needs of public and private stakeholders
- Complete detailed analysis of the competition
- Determine current market pricing
- Identify local and regional tenancy base
- Establish pricing
- Establish clear lines of communication and tasks between marketing team and ownership

### **b) Marketing Goals:**

- Kick-off marketing campaign
- Build upon leasing momentum
- Secure credit tenants within the shortest possible time frame

- Secure leases with current prospects and existing tenants
- Seek early renewals/restructure opportunities
- Seek consolidation opportunities
- Establish a Tenant Appreciation Program

## 9. Marketing Stages

The following stages exemplify DEVELOPER'S methodical marketing process. This approach will expose the property to as many viable candidates as possible.

- a) **Stage 1 – Administration/Marketing**
  - Complete property information
  - Develop marketing collateral
  - Broker Open House/Event print ads
  - Initial user contacts and solicitation
  - Refine building specifications
- b) **Stage 2 – Marketing**
  - Meetings and site/market showings
  - Continuous user solicitation and canvassing
  - Prepare mailings
  - Public relations campaign to commence
  - On-going client reporting and status reports
- c) **Stage 3 – Qualifying Prospects**
  - Follow-up with candidates who receive marketing materials
  - Review and analyze offers/RFPs
  - Review terms of offer
  - Prepare proposal
- d) **Stage 4 – Offers and Negotiations**
  - Finalize business terms
  - Negotiate and execute lease document
- e) **Stage 5 – Closing and Follow-Up**
  - Post transaction book prepared
  - Ensure tenant satisfaction

## 10. Reporting and Evaluation

DEVELOPER will complete monthly reports and plan monthly conference calls to review project status and evaluate and adjust the marketing strategy. DEVELOPER will also prepare survey questionnaires for the tenants to evaluate how our marketing strategy works and to create a tenant database.

On-going reporting will address:

- Users in the market
- Competitive properties
- Status report on all prospects (showings, RFPs, proposals and counterproposals)
- Quarterly market statistics

- Status of mailings, advertising and marketing campaign
- Project control book

## **11. Crisis Management**

In the process of creating new synergy and compatibility in a project of this nature, anticipated and unanticipated obstacles and challenges may inevitably arise. Parties may disagree with stated goals and objectives. The public may develop distaste over the change of public property use, become distraught over the closeness of military exercises, as well as the projected or perceived traffic congestion to the area. These problems are preventable and can be diffused, especially through a strong community outreach program. Attention to a careful understanding of key audiences will allow the Partnership to be proactive when possible, as well as address in advance the issues and obstacles that may create future problems.

## **Conclusions**

The ultimate appearance of a new PROJECT campus will significantly impact, ensure and enhance the quality of life of the people who are in training, temporarily stationed, work, reside or visit in the future, in the PROJECT area.

The development of a new state-of-the-art training facility makes a significant contribution toward creating the intangible and essential spirit of a community that will ultimately be its true measure of success. The creation of the training center will result from the orderly development and maintenance specified in the Development Plan.

Future guardsmen will be able to take advantage of the nation's premiere training facility with the honor and dignity they have earned through their service to the State of ... and this nation.

## **OPERATIONS PLAN**

### **A. Operation and Management Responsibilities**

The Maintenance and Management program will be based on the premise that the maintenance program objective is to establish a performance-based approach to life-cycle asset management that links asset planning, programming, and budgeting. Accordingly, the maintenance staff will provide the highest quality of service, maximizing the life cycle of facilities at the lowest cost and the highest safety standards. Accurate asset maintenance cost information will be continuously collected to optimize asset maintenance resources, capital equipment life, and life-cycle costs. In addition, minimizing energy and utilities usage.

The goals of DEVELOPER'S long-term maintenance program are to ensure that: (1) the acquisition and recapitalization will be balanced so assets are available, utilized, and in a suitable condition to accomplish their intended purpose, and (2) assets will be maintained in a manner that promotes operational safety, worker health, environmental protection and compliance, and property preservation.

The Maintenance Management team will be tailored to accomplish multiple work functions within and between specific Maintenance Management responsibilities. This structure for the project will reflect the functional breakdown of work, minimizing management layering, and providing a realistic span of control, while facilitating internal and external interface and coordination. The proposed organizational structure will elevate the importance of safety, quality, and environmental compliance; and the oversight/operational support these functions have during day-to-day operations.

Key Maintenance and Management Functions for the various private development components of the project include:

- Operations and Maintenance (O&M) Manager
- Administrative Services
- Chief Engineer
- Maintenance Manager
- Training Operations Support
- Technical Support

## **B. Asset Management and Property Management**

DEVELOPER will act as asset and property manager for the project. Having a fiduciary responsibility to the Army, DEVELOPER will ensure consistency in planning and execution of the project in compliance with design guidelines and the Army mission. All consideration (cash or in kind) shared and/or distributed to the Army shall be accurately accounted for and delivered as stipulated in the financial terms of the lease agreement.

DEVELOPER Development excels at property management and asset management, as it has in development several projects, each with its own magnitude, scale, expectations, challenges, and needs. A company that actively seeks to expedite development processes while ensuring quality engineering and construction practices, DEVELOPER'S vision allows for significant cost savings and superior services.

Prioritizing maximum space efficiency and emphasizing the importance of education and the Army mission for the training center, DEVELOPER intends to form a working partnership with Army and the City of ..... to best serve surrounding communities with its development components.

DEVELOPER is highly proficient at maintaining properties to the specifications and expectations held by respective tenants, and will perform tasks inherent to efficient property maintenance, management and repair at PROJECT. A major component of successful operation for PROJECT is the management team. DEVELOPER will ensure sustainability in such areas as administrative services, repairs, janitorial duties, and other property management aspects as stipulated by the Army.

DEVELOPER maintains customer satisfaction as its primary property management goal. DEVELOPER prioritizes the protection, preservation, and enhancement of each property as significant asset management goals. The following information details the Property and Asset Management Plan that will be employed to ensure quality day-to-day operations and long-term success. The property and asset management plan created for the project will include but is not limited to the aforesaid items:

- Maintenance Standards

- Security
- Quality Control Program
- Engineering Services
- Tenant Service Request Line and Building Preventive Maintenance
- After Hours/Emergency Response
- Property Accounting
- Periodic Assessments of Performance
- Annual Assessments of Performance

DEVELOPER understands the importance of resource management to achieve optimal long-term cost effectiveness from budgets, facilities, and property. Accordingly, DEVELOPER property management and maintenance personnel will perform all budgeting, financial, and accounting functions to complete and ensure accurate accounting and project cost tracking. Procurement, equipment acquisition, and property administration functions are processed through the work management system for appropriate labeling and cost association.

The Maintenance Management organizational structure emphasizes DEVELOPER'S understanding of the requirements and expectations of the Army, and the City of..., depending on whether horizontal infrastructure is dedicated to the City of. Organizational structure, as required for the project, provides for scalability and flexibility necessary for progressive and continual support of the master planned community, and specifically for Army training areas through sequential development stages. The project is an enterprise that will evolve as a state-of-the-art, technologically advanced center for learning excellence, antiterrorism and security, and training for the Army. The project will have the capacity for mixed-use development necessitates the highest quality, long-term asset management and property maintenance standards.

### **C. Reserves and Capital Reinvestment**

The finance plan will incorporate a program for adequate reserves for the private components of the proposed project. The reserves will be established based upon the economic financial models for each proposed product type, requirements of lenders, and industry standards within the regional marketplace. In addition, the development of each site will incorporate a proposed capital reinvestment plan which will be revised based upon various refinancings which will occur over the term of the lease.



**FINANCING PLAN**

Five various site plans have been proposed to assist DEVELOPER, U.S. Army, and the Corps of Engineers in determining the highest and best use of the PROJECT property for development purposes in order to secure the greatest potential in-kind consideration to support the PROJECT and related outdoor training facilities. For the purposes of financial analysis, DEVELOPER has detailed development costs and proformas for two development options that generate the estimated least and greatest land value. These options include Plan B (high density mixed-use) and Plan D (flex-park).

**A. Development Costs****1. Infrastructure Budget**

<u>Plan B</u>	<u>Plan D</u>
\$	\$

**2. Vertical Budget**

	<u>Plan B</u>	<u>Plan D</u>
Phase 1	\$	\$
Phase 2	\$	\$
Phase 3	\$	\$
Phase 4	---	\$

**B. Developer Proforma (50-Year Cash Flow)**

## **ECONOMIC PROPOSAL**

### **A. The PROJECT**

STATE is home to \_\_ military bases and three military unified commands located in \_\_ counties. Military and defense-related spending lends to a \$44 billion annual economic impact, positioning it as the third largest economic sector behind tourism and agriculture. Defense-related spending occurs in each of STATE'S \_\_ counties, and employs more than 714,000.

The site is eligible for funding under the Sustainable Range Program (SRP). The SRP is the overall approach to improving the way in which it designs, manages, and uses its ranges to meet its federal mission training responsibilities. SRP is defined by two core programs (RTLTP and ITAM), which are integrated with facilities management, environmental management, munitions management, and safety program functions that support the doctrinal capability to ensure the availability and accessibility of Army ranges and training lands. The SRP Budget increased from \$39.3 million in Fiscal Year 2004 to \$51.4 million in Fiscal Year 2005.<sup>2</sup>

\_\_\_\_\_ Training Site is the principal training center for members and encompasses 72,000 acres, 570 buildings, and 890 military and civilian personnel. In 2005, more than 2,500 Guard members will have participated in the annual training from June through August. STATE is a prime location for military bases. Bolstering the community by providing jobs and economic security, the proposed training facility will be a welcome addition to the area with its large population, strong job growth, and exposure to natural disasters

### **B. Land Value Analysis**

### **C. In-Kind Consideration**

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<sup>2</sup> Department of the Army, "Fiscal Year 2005 Budget Estimates." Jan 2004.